



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Michael O. Leavitt
Governor

Kevin S. Carter
Director

675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818
801-538-5100
801-355-0922 (Fax)
<http://www.trustlands.com>

February 18, 2003

Stephen H. Young
APM, Inc.
631 South 150 West
Orem, UT 84058

RE: ML 48637-OBA;

Dear Mr. Young:

Review of your December 30, 2002, notice to commence mining upon trust lands within the above numbered minerals contract is completed with no adverse comments.

1) Prior to commencing mining operations upon the leased lands you must post an acceptable reclamation and performance bond with the Trust Lands Administration in the amount of \$5,000.00 per acre of proposed surface disturbance. (The total amount of bond posted, @ \$5,000.00 per acre will determine the amount of surface disturbance you may have any given time.) The bond must be in the form of a Surety Bond using the enclosed Bond of Lessee form or a Letter of Credit (LOC) with a Utah Banking Institution listing the School and Institutional Trust Lands Administration as the Beneficiary of the funds in the account.

2) Also, prior to commencing mining operations upon the leased lands you must obtain a Small Mine permit from the Utah Division of Oil, Gas & Mining (DOGM). You may call DOGM at (801) 538-5291 for more information. If you have already filed a notice with DOGM then please forward a copy to me.

Sincerely,

John T. Blake
Mineral Resources Specialist

CC: Lynn Kunzler

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FEB 19 2003

DIV. OF OIL, GAS & MINING

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